

# MEDICAL DISPUTE RESOLUTION FINDINGS AND DECISION

## PART I: GENERAL INFORMATION

<b>Type of Requestor:</b> (x) HCP ( ) IE ( ) IC	<b>Response Timely Filed?</b> ( ) Yes (x) No
Requestor's Name and Address HCA Spring Branch Medical Center 3701 Kirby Drive, Suite 1288 Houston, Texas 77098-3926	MDR Tracking No.: M4-04-2761-01
	TWCC No.:
	Injured Employee's Name:
Respondent's Name and Address TPCIGA For Reliance National Insurance Company 9120 Burnet Road Austin, Texas 78758-5204 Box 50	Date of Injury:
	Employer's Name: Aramark Uniform Service
	Insurance Carrier's No.: 900000672

## PART II: SUMMARY OF DISPUTE AND FINDINGS

Dates of Service		CPT Code(s) or Description	Amount in Dispute	Amount Due
From	To			
10-29-02	11-28-02	Surgical Admission	\$68,094.05	\$0.00

## PART III: REQUESTOR'S POSITION SUMMARY

Based upon review by the insurance carrier, TPCIGA for Reliance Insurance Company and its audit department, alleges that the aforementioned claim has been properly paid. On the contrary, specifically, per Rule 134.401(c)(6)(A)(i)(iii), once the bill has reached the minimum stop-loss threshold of \$40K, the entire admission will be paid using the stop-loss reimbursement factor (SLRF) of 75%.

## PART IV: RESPONDENT'S POSITION SUMMARY

Provider is not entitled to additional payment because it has been reimbursed at cost plus ten percent for the implants, as requested in its request for reconsideration. In addition, provider was paid at 75% of the usual and customary amount for the remaining charges of \$214,877.46 and provider has not submitted any evidence which demonstrates that its billed charges were actually usual and customary, as that term is defined. For these reasons, provider is not entitled to additional reimbursement.

## PART V: MEDICAL DISPUTE RESOLUTION REVIEW SUMMARY, METHODOLOGY, AND/OR EXPLANATION

This dispute relates to inpatient services provided in hospital setting with reimbursement subject to the provisions of Rule 134.401 (Acute Care Inpatient Hospital Fee Guideline). The hospital has requested additional reimbursement according to the stop-loss method contained in that rule. Rule 134.401(c)(6) establishes that the stop-loss method is to be used for "unusually costly services." The explanation that follows this paragraph indicates that in order to determine if "unusually costly services" were provided, the admission must not only exceed \$40,000 in total audited charges, but also involve "unusually extensive services."

After reviewing the documentation provided by the provider, it does **not** appear that this particular admission involved "unusually extensive services." Accordingly, the stop-loss method does not apply and the reimbursement is to be based on the per diem plus carve-out methodology described in the same rule.

The total length of stay for this admission was thirty (30) days (consisting of 1 day for ICU and 29 days for surgical). Accordingly, the standard per diem amount due for this admission is equal to \$33,982.00 (1 times \$1,560.00 and 29 times \$1,118.00) however, the requestor billed \$24,723.25. In addition, the hospital is entitled to additional reimbursement for (implantables/MRIs/CAT Scans/pharmaceuticals) as follows:

Invoice from DePuy in the amount of \$10,459.25 X 10% = \$11,505.18  
Invoice from Bone Bank Allografts in the amount of \$990.00 X 10% = \$1,089.00  
Invoice from Howmedica Osteonics in the amount of \$634.50 X 10% = \$697.95

The carrier has reimbursed the provider \$112,561.36

Considering the reimbursement amount calculated in accordance with the provisions of rule 134.401(c) compared with the amount previously paid by the insurance carrier, we find that no additional reimbursement is due for these services.

#### PART VI: COMMISSION DECISION

Based upon the review of the disputed healthcare services, the Medical Review Division has determined that the requestor is **not** entitled to additional reimbursement.

Ordered by:

Debra L. Hewitt

03-04-05

Authorized Signature

Typed Name

Date of Order

#### PART VII: YOUR RIGHT TO REQUEST A HEARING

Either party to this medical dispute may disagree with all or part of the Decision and has a right to request a hearing. A request for a hearing must be in writing and it must be received by the TWCC Chief Clerk of Proceedings/Appeals Clerk within 20 (twenty) days of your receipt of this decision (28 Texas Administrative Code § 148.3). This Decision was mailed to the health care provider and placed in the Austin Representatives box on \_\_\_\_\_. This Decision is deemed received by you five days after it was mailed and the first working day after the date the Decision was placed in the Austin Representative's box (28 Texas Administrative Code § 102.5(d)). A request for a hearing should be sent to: Chief Clerk of Proceedings/Appeals Clerk, P.O. Box 17787, Austin, Texas, 78744 or faxed to (512) 804-4011. A copy of this Decision should be attached to the request.

The party appealing the Division's Decision shall deliver a copy of their written request for a hearing to the opposing party involved in the dispute.

**Si prefiere hablar con una persona in español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**

#### PART VIII: INSURANCE CARRIER DELIVERY CERTIFICATION

I hereby verify that I received a copy of this Decision and Order in the Austin Representative's box.

Signature of Insurance Carrier: \_\_\_\_\_ Date: \_\_\_\_\_